UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/911,772	07/24/2001	Stephen Cutler	CUTLP0102US	3927

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EXAMINER
GRAHAM, CLEMENT B

ART UNIT	PAPER NUMBER
3692	

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Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 10/03)

	Application No.	Applicant(s)
Office Action Summary	09/911,772	CUTLER, STEPHEN
	Examiner	Art Unit
	Clement B. Graham	3692

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☐ Responsive to communication(s) filed on <u>24 July 2001</u>.

2a)☐ This action is **FINAL**.   2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) <u>1-186</u> is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) <u>1-186</u> is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All   b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____.

5)☐ Notice of Informal Patent Application

6)☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 102

1.   The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

2.   Claims 1-186, are rejected under 35 U.S.C. 102(e) as being anticipated by Korhammer et al (Hereinafter Korhammer U.S Patent: 6, 278, 982.

As per claims 1-15, Korhammer discloses a method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the method comprising the steps of: receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask volume, an ask time, a security identifier and a market maker identifier for each ask (see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67) and analyzing the data stream for a selected set of securities from the plurality of securities to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream, wherein deriving the statistic includes summing the volume of each active bid associated with each selected security and summing the volume of each active ask associated with each selected security.(note abstract and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67).

As per claims 15-31, Korhammer discloses a method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the method comprising the steps of:

receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67) and analyzing the data stream for a selected set of securities from the plurality of securities to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream, wherein deriving the statistic includes determining whether a bid placed by any of the market makers has a value higher than, the same as or lower than the previous bid placed by the same market maker and determining whether an ask placed by any of the market makers has a value higher than, the same as or lower than the previous ask placed by the same market maker.(Note abstract and see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67).

As per claims 32-41, Korhammer discloses a method·of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the method comprising the steps of·
receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a

market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67) and analyzing the data stream to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived for a selected market maker and updated based on the updated data stream, wherein deriving the statistic includes identifying each security from a selected set of securities for which the selected market maker has at least one of an active bid or an active ask, and for the selected market maker generating a list of the identified securities along with an indication of the market maker's bid volume and ask volume for the identified securities. (Note abstract and see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67).

As per claims 42-52, Korhammer discloses a method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the method comprising the steps of: receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67) and analyzing the data stream for a selected set of securities from the plurality of securities to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream, wherein deriving the statistic includes determining the combined bid volume and ask volume for each market maker for each selected security from the selected set of securities. (Note abstract and see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67).

As per claims 53-64, Korhammer discloses a method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the method comprising the steps of: receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67) and analyzing the data stream to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived for each market maker and updated based on the updated data stream, wherein deriving the statistic includes for each market maker, summing the bid volume of each active bid of each market maker for a selected set of securities and summing the ask volume of each active ask of each market maker for a selected set of securities. (Note abstract see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67).

As per claims 65-77, Korhammer discloses method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place :=. bids and asks, the method comprising the steps of receiving a dynamically updated data stream containing level 1 and level 2 . data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67) and analyzing the data stream for a selected set of securities from the plurality of securities to derive a statistic indicative of temporary upward or

downward price pressure, the statistic derived for each selected security and updated based on the updated data stream, wherein deriving the statistic includes for each selected security and over a specified time period, determining a bid persistence statistic and an ask persistence statistic for each market maker, the bid persistence statistic determined by calculating the approximate portion of the specked time period that the market maker has had one or more bids being equal to or higher than a level 1 bid for the security, and the ask persistence statistic determined by calculating the approximate portion of the specified time period that the market has had one or more asks being equal to or lower than a level 1 ask for the security. (Note abstract see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67).

As per claims 78-83, Korhammer discloses a method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the method comprising the steps of:

receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 –11 and column 12 lines 1-67) and dynamically filtering the data stream, including for each selected security from a selected set of securities, discarding bids having a price lower than the last trade value minus a selected threshold percentage of the last trade value and discarding asks having a price higher than the last trade value plus the selected threshold percentage of the last trade value. (Note abstract and see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67).

As per claims 84-89, Korhammer discloses a method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the method comprising the steps of:

receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) analyzing the data stream for a selected set of securities from the plurality of :securities to derive a set of statistics indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream; and dynamically sorting a displayed order of the set of statistics based on a parameter selected by the user to reflect current market maker activity. (Note abstract and see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67).

As per claim 90, Korhammer discloses a method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the method comprising the steps of.

receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) analyzing the data stream for a selected set of securities from the plurality of

securities to derive a set of statistics from the level 2 data indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream; and charting the statistic over a period of time for one of the selected securities in a chart. (Note abstract see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67).

As per claims 91-93, Korhammer discloses a method of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the method comprising the steps of:

receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) analyzing the data stream for a selected set of securities from the plurality of securities to derive a set of statistics indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream;

grouping the bids by price to generate a series of bid groups, each bid price group but one containing bids of the same price for the bid price group, the remaining bid price group containing all bids having a price more than a specified number of price changes away from an inside bid price(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) summing the volume of bids in each bid price group and summing the number of bids in each bid price group;

displaying the total volume for each bid price group and the number of bids in -each bid price group;

grouping the asks by price to generate a series of ask price groups, each ask =` price group but one containing asks of the same price for the ask price group, the remaining ask price groups containing all asks having a price more than a specified number of price changes away from an inside ask price(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 - 11 and column 12 lines 1-67) summing the volume of asks in each ask price group and summing the number of asks in each ask price group; and

displaying the total volume for each price group and the number of asks in each ask price group. (see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67).

As per claims 94-107,   Korhammer discloses a system for tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the system comprising:

a receiver for receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask volume, an ask 'time, a security identifier for and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) and a process or executory logic to analyze the data stream for a selected set of ;securities from the plurality of securities to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream, wherein deriving the statistic includes summing the volume of each active bid associated with each selected security and summing the volume of each active ask associated with each selected security. (see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67).

As per claims 108-124, Korhammer discloses a system for tracking activity of a plurality of market makers relating to securities traded on at least one common exchange

where the market makers place bids and asks, the system comprising: a receiver for receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) and a processor for executing logic to analyze the data stream for a selected set of securities from the plurality of securities to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream, wherein deriving the statistic includes determining whether a bid placed by any of the market makers has a value higher than, the same as or lower than the previous bid placed by the same market maker and determining whether an ask placed by any of the market makers has a value higher than the same as or lower than the previous ask placed by the same market maker. (see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67).

As per claims 125-134, Korhammer discloses a system for tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the system comprising: a receiver for receiving a dynamically updated data stream containing level 1and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) and a processor for executing logic to analyze the data stream to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived

for a selected market maker and updated based on the updated data stream, wherein
deriving the statistic includes identifying each security from a selected set of securities
for which the selected market maker has at least one of an active bid or an active ask,
and for the selected market maker generating a list of the identified securities along with
an indication of the market maker's bid volume and ask volume for the identified
securities. (see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column
5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67).

As per claims 135-145, Korhammer discloses a system of tracking activity of a
plurality of market makers relating to securities traded on at least one common
exchange where the market makers place bids and asks, the system comprising:
a receiver for receiving a dynamically updated data stream containing level 1 and level
2 data relating to a plurality of securities traded over the at least one exchange, the
level 1 data including at least the last trade price of each security and the level 2 data
containing a bid price, a bid time, a bid volume, a security identifier, and a market
maker identifier for each bid, and an ask price, an ask time, an ask volume, a security
identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines
34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and
column 12 lines 1-67) and a processor for executing logic to analyze the data stream
for a selected set of securities from the plurality of securities to derive a statistic
indicative of temporary upward or downward price pressure, the statistic derived for
each selected security and updated based on the updated data stream, wherein
deriving the statistic includes determining the combined bid volume and ask volume for
each market maker for each selected security from the selected set of securities. (see
fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and
31-67 and column 6 -11 and column 12 lines 1-67).

As per claims 146-157, Korhammer discloses a system for tracking activity of a
plurality of market makers relating to securities traded on at least one common
exchange where the market makers place bids and asks, the system comprising
a receiver for receiving a dynamically updated data stream containing level 1 and level 2
data relating to a plurality of securities traded over the at least one exchange, the level 1

data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) and a processor for executing logic to analyze the data stream to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived for each market maker and updated based on the updated data stream, wherein deriving the statistic includes for each market maker, summing the bid volume of each active bid of each market maker for a selected set of securities and summing the ask volume of each active ask of each market maker for a selected set of securities. (see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67).

As per claims 158-170, Korhammer discloses a system of tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the system comprising:
a receiver for receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) and a processor for executing logic to analyze the data stream for a selected set of securities from the plurality of securities to derive a statistic indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream, wherein deriving the statistic includes for each selected security and over a specified time period, determining a bid persistence statistic and an ask persistence statistic for each market maker, the bid persistence statistic determined by calculating the approximate portion of the specified time period

that the market maker has had one or more bids being equal to or higher than a level 1

bid for the security, and the ask persistence statistic determined by calculating the

approximate portion of the specified time period that the market has had one or more

asks being equal to or lower than a level 1 ask for the security. (see fig: 4 and see

column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and

column 6 -11 and column 12 lines 1-67).

As per claims 171-176, Korhammer discloses a system for tracking activity of a

plurality of market makers relating to securities traded on at least one common exchange

where the market makers place bids and asks, the system comprising:

a receiver for receiving a dynamically updated data stream containing level 1 and level 2

data relating to a plurality of securities traded over the at least one exchange, the level 1

data including at least the last trade price of each security and the level 2 data

containing a bid price, a bid time, a bid volume, a security identifier, and a market maker

identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier

and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and

column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12

lines 1-67) and a processor for executing logic to dynamically filter the data stream and,

for each selected security from a selected set of securities, the logic discards bids

having a price lower than the last trade value minus a selected threshold percentage of

the last trade value and discards asks having a price higher than the last trade value

plus the selected threshold percentage of the last trade value. (see fig: 4 and see

column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and

column 6 -11 and column 12 lines 1-67).

As per claims 177-182, Korhammer discloses a system for tracking activity of a

plurality of market makers relating to securities traded on at least one common exchange

where the market makers place bids and asks, the system comprising:

a receiver for receiving a dynamically updated data stream containing level 1 and level 2

data relating to a plurality of securities traded over the at least one exchange, the level 1

data including at least the last trade price of each security and the level 2 data

containing a bid price, a bid time, a bid volume, a security identifier, and a market maker

identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier
and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and
column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12
lines 1-67) a processor for executing logic to analyze the data stream for a selected set
of securities from the plurality of securities to derive a set of statistics indicative of
temporary upward or downward price pressure, the statistic derived for each selected
security and updated based on the updated data stream; and
a display for displaying the set of statistics, the set of statistics being dynamically sorted
based on a parameter selected by the user to reflect current market maker activity. (see
fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and
31-67 and column 6 -11 and column 12 lines 1-67).

        As per claim 183, Korhammer discloses a system for tracking activity of a plurality
of market makers relating to securities traded on at least one common exchange where
the market makers place bids and asks, the system comprising:
a receiver for receiving a dynamically updated data stream containing level 1 and level 2
data relating to a plurality of securities traded over the at least one exchange, the level 1
data including at least the last trade price of each security and the level 2 data
containing a bid price, a bid time, a bid volume, a security identifier, and a market maker
identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier
and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and
column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12
lines 1-67) a processor for executing logic to analyze the data stream for a selected set
of securities from the plurality of securities to derive a set of statistics from the level 2
data indicative of temporary upward or downward price pressure, the statistic derived for
each selected security and updated based on the updated data stream; and
a display for displaying a chart of the statistic over a period of time for one of the
selected securities in a chart. (see fig: 4 and see column 3 lines 34-67 and column 4
lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-
67).

As per claims 184-186, Korhammer discloses a system for tracking activity of a plurality of market makers relating to securities traded on at least one common exchange where the market makers place bids and asks, the system comprising:
a receiver for receiving a dynamically updated data stream containing level 1 and level 2 data relating to a plurality of securities traded over the at least one exchange, the level 1 data including at least the last trade price of each security and the level 2 data containing a bid price, a bid time, a bid volume, a security identifier, and a market maker identifier for each bid, and an ask price, an ask time, an ask volume, a security identifier and a market maker identifier for each ask(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) a processor for executing logic to analyze the data stream for a selected set of securities from the plurality of securities to derive a set of statistics indicative of temporary upward or downward price pressure, the statistic derived for each selected security and updated based on the updated data stream; and the logic including code to: group the bids by price to generate a series of bid groups, each bid price group but one containing bids of the same price for the bid price group, the remaining bid price group containing all bids having a price more than a specified number of price changes away from an inside bid price(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) sum the volume of bids in each bid price group and summing the number of bids in each bid price group;
display the total volume for each bid price group and the number of bids in each bid price group on a display(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) group the asks by price to generate a series of ask price groups, each ask price group but one containing asks of the same price for the ask price group, the remaining ask price groups containing all asks having a price more than a specified number of price changes away from an inside ask price(see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 -11 and column 12 lines 1-67) sum the volume of asks in each ask price group and summing the number of

7 asks in each ask price group; and display the total volume for each price group and the number of asks in each ask price group on the display. (see fig: 4 and see column 3 lines 34-67 and column 4 lines 1-67 and column 5 lines 105 and 31-67 and column 6 - 11 and column 12 lines 1-67).

Conclusion

3. The prior art of record and not relied upon is considered pertinent to Applicants disclosure.

Eder (US 2001/0034686 A 1) teaches method of and system for defining and measuring the real options of a commercial enterprise.

Sandretto (US PATENT: 5, 812, 988) teaches method and system for jointly of estimating cash flows simulated returns risk measures and present values for a plurality of assets.

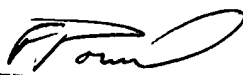Horsfall (US Patent 2003/0083973 A1) teaches electronic trading system.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Clement B Graham whose telephone number is 703-305-1874. The examiner can normally be reached on 7am to 5pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 703-308-0505. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-0040 for regular communications and 703-305-0040 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-305-3900.

CG
Oct 4, 2006

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